

**ASSEMBLY BILL**

**No. 781**

**Introduced by Assembly Member John Campbell**

February 22, 2001

An act to amend Section 1954.52 of the Civil Code, relating to rental rates.

LEGISLATIVE COUNSEL'S DIGEST

AB 781, as introduced, John Campbell. Rental rates.

Existing law authorizes an owner of residential real property to establish the initial and all subsequent rental rates for a dwelling or a unit that has already been exempt from the residential rent control ordinance of a public entity on or before February 1, 1995, pursuant to a local exemption for newly constructed units.

This bill would make a conforming change in that provision and make other technical, nonsubstantive changes.

Vote: majority. Appropriation: no. Fiscal committee: no. State-mandated local program: no.

*The people of the State of California do enact as follows:*

1 SECTION 1. Section 1954.52 of the Civil Code is amended  
2 to read:

3 1954.52. (a) Notwithstanding any other provision of law, an  
4 owner of residential real property may establish the initial and all  
5 subsequent rental rates for a dwelling or a unit about which any of  
6 the following is true:

7 (1) It has a certificate of occupancy issued after February 1,  
8 1995.

(2) It has already been exempt from the residential rent control ordinance of a public entity on or before February 1, 1995, pursuant to a local exemption for newly constructed *dwelling units* or units.

(3) It is alienable separate from the title to any other dwelling unit or is a subdivided interest in a subdivision as specified in subdivision (b), (d), or (f) of Section 11004.5 of the Business and Professions Code. This paragraph shall not apply to a dwelling or unit where the preceding tenancy has been terminated by the owner by notice pursuant to Section 1946 or has been terminated upon a change in the terms of the tenancy noticed pursuant to Section 827.

Where a dwelling or unit whose initial or subsequent rental rates are controlled by an ordinance or charter provision in effect on January 1, 1995, the following shall apply:

(A) An owner of real property as described in this paragraph may establish the initial and all subsequent rental rates for all existing and new tenancies in effect on or after January 1, 1999, if the tenancy in effect on or after January 1, 1999, was created between January 1, 1996, and December 31, 1998.

(B) Commencing on January 1, 1999, an owner of real property as described in this paragraph may establish the initial and all subsequent rental rates for all new tenancies if the previous tenancy was in effect on December 31, 1995.

(C) The initial rental rate for a dwelling or unit as described in this paragraph whose initial rental rate is controlled by an ordinance or charter provision in effect on January 1, 1995 shall not, until January 1, 1999, exceed the amount calculated pursuant to subdivision (c) of Section 1954.53. An owner of residential real property as described in this paragraph may until January 1, 1999, establish the initial rental rate for a dwelling or unit only where the tenant has voluntarily vacated, abandoned, or been evicted pursuant to paragraph (2) of Section 1161 of the Code of Civil Procedure.

(b) Subdivision (a) shall not apply where the owner has otherwise agreed by contract with a public entity in consideration for a direct financial contribution or any other forms of assistance specified in Chapter 4.3 (commencing with Section 65915) of Division 1 of Title 7 of the Government Code.

1 (c) Nothing in this section shall be construed to affect any  
2 authority of a public entity that may otherwise exist to regulate or  
3 monitor the basis for eviction.

4 (d) This section shall not apply to any dwelling or unit ~~which~~  
5 *that* contains serious health, safety, fire, or building code  
6 violations, excluding those caused by disasters, for which a  
7 citation has been issued by the appropriate governmental agency  
8 and ~~which has~~ *that have* remained unabated for six months or  
9 longer preceding the vacancy.

